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SOURCE Shen Pao (The Reporter), No 25520, 1948.CHINA'S COPPER SOURCES

This report is an excerpt from "Production and Marketing Conditions of Copper Commodities in the Shang-hai Area" which was published in May 1948.

Aside from imported copper, there are three domestic sources from which China may obtain her copper supplies:

1. Northeast Metal Mining Company

This company is a former enemy enterprise taken over by the National Resources Commission after the war, together with the Shenyang (Mukden) Refinery. The refinery, which suffered little damage during the war, was reopened in February 1947 for the primary purpose of producing electrolytic copper. During its peak production, it manufactured 120 tons of coarse copper and 90 tons of electrolytic copper per month. Because of high production costs and the postwar internal strife, this refinery produced only 40 tons of electrolytic copper per month after recovery, the bulk of which was used to supply the local ordinance factory.

2. Taiwan Gold- and Copper-Mining Bureau

This bureau located at Kinkaseki (Chin-hua-shih), Kiirun (Chi-lung) Chu in Taihoku (Taipei) Hsien is the former Japan Mining Industries taken over by the National Resources Commission in May 1946. It was first known as the Taiwan Copper-Mining Preparation Office but was reorganized and given its present name in January 1948.

In the initial reorganization of this industry, elaborate plans were made by the National Resources Commission to make this enterprise the foremost gold and copper mining industry in the Far East. For transporting extracted ores, modern aerial cableway and cablecar conveyances were installed. However, the content of gold found in the mineral ores has proved to be very disappointing. Only 3 grams of pure gold are contained in a ton of gold ore, while only 0.7 percent of gold can be extracted from a ton of copper ore.

Nevertheless, the production of copper since the supervision of this industry by the National Resources Commission has proved very successful. Under the Japanese, the annual output of copper precipitate amounted to about 2,400 tons which included 1,200 tons of copper. Under the Chinese, production rates are as follows:

- 1 -

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- a. July 1946 - September 1948 -- 2,861,497 kilograms of dried copper precipitate
- b. April 1947 - September 1948 -- 1,165,353 kilograms of coarse copper
- c. January - September 1948 -- 747,714 kilograms of refined copper, of which 617,319 kilograms were anode copper [sic]
- d. April - September 1948 -- 237,974 kilograms of electrolytic copper

The present monthly production of this industry is as follows: coarse copper, 130 tons; anode copper [sic], 105 tons; and electrolytic copper 70-80 tons.

3. Northern Yunnan Mining Bureau

Mineral resources in northern Yunnan, containing about 40 percent pure copper, are estimated to be about 500 to 600 times greater than those of Taiwan. Under the Manchu Dynasty, this firm was under the control of the Imperial High Commissioner but after the establishment of the Republic, it was placed under the supervision of the Yunnan Provincial Government. In 1930, however, it was placed under the joint management of the National Resources Commission and the Yunnan Provincial Government.

The disadvantages of being remotely located and the lack of adequate transportation facilities, both railroad and first-grade highway, have greatly handicapped the modernization of this mine. As a result, there has been no noticeable increase in its output during the last 2 decades. In addition, there is no local coal supply, necessitating the use of wood for fuel in the manufacturing processes. At present, production costs are 80-88 percent of the selling price, leaving little margin for profit.

Lead and zinc are also found in this area, but because of inadequate transportation facilities, only amounts sufficient to meet local needs are being produced.

Plans are now being made by the National Resources Commission to develop the Northern Yunnan Mining Bureau during 1949.

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- 2 -

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